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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/942,273	08/29/2001	Lea Koren	099000-55448 (SORO 18.955	6220
7590 11/10/2004 KATTEN MUCHIN ZAVIS ROSENMAN 575 MADISON AVENUE NEW YORK,, NY 10022-2585			EXAMINER BAYAT, BRADLEY B	
			ART UNIT 3621	PAPER NUMBER

DATE MAILED: 11/10/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/942,273

Applicant(s)

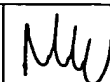
KOREN ET AL.

Examiner

Bradley Bayat

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 30 July 2004.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-30 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-30 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_

### **DETAILED ACTION**

Claims 1 and 16 have been amended in the response filed on 30 July 2004. Thus, claims 1-30 remain pending and are again presented for examination on the merits.

#### ***Response to Arguments***

Applicant's arguments with respect to claims 1-30 have been considered but are moot in view of the new ground(s) of rejection.

#### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

**Claims 1-30 are rejected under 35 U.S.C. 103(a) as being unpatentable over Schwartz et al., (hereinafter Schwartz) U.S. Patent Application Publication 2001/0044787, in view of Reeder, U.S. Patent 6,014,636.**

As per claims 1 and 16, Schwartz discloses a system and method for allowing a user of a distributed network to perform a secure payment transaction initiated over said network by using a financial data card wherein at least one vendor site connected to said network; at least one user computerized system comprising a computer connected to said network (see summary; figures 1-3 and associated text). Schwartz does not explicitly disclose a system/method including a data card reader, an authentication protocol for verifying the authenticity of a data card received

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through said card reader and an online computerized system of a trusted agent accessible to said safe payment unit by a telephone communication means. Reeder however, teaches the method and system of providing a point-of-sale payment for products and services via the World Wide Web by swiping the user's debit/credit card through a magnetic strip reader at the customer's location at the moment of sale and upon authorization, sending an approval signal to the merchant to fulfill the order (column 2, lines 5-44; figure 1 and associated text). It would have been obvious for one of ordinary skill in the art at the time of the invention to further secure the electronic transaction system by providing a dedicated card reader component and only provide transaction approval or denied signals to a merchant to fulfill an order in order to safeguard sensitive customer information, as per teachings of Schwartz and Reeder.

Schwartz further discloses:

2. The system of claim 1 wherein the distributed network is the Internet (figure 1, item 54).
3. The system of claim 1 wherein said user remains anonymous to the payee (paragraph 0091).
4. The system of claim 1 wherein the vendor site is running a set of electronic commerce-related software applications (paragraphs 70-73).

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5. A system according to claim 4 wherein the said set of electronic commerce-related software applications includes a software application for allowing a user to perform payment transaction via said safe payment unit (paragraph 43).

6. The system of claim 1 wherein the user computer is running a software application for accessing and browsing vendor sites (paragraphs 14-35; figure 1 and associated text).

7. The system of claim 1 wherein the user computer includes a software application for allowing a communication with said safe payment unit (paragraphs 71-73).

8. The system of claim 1 wherein said trusted agent is a credit card issuer company and wherein said data card is a credit card issued by said company (figure 2 and associated text).

9. The system of claim 1 wherein said trusted agent is a mediator agent mediating between credit card users and credit cards issuer companies (paragraphs 27-28).

10. The system of claim 1 wherein said computerized system of trusted agent includes a database of users accounts (paragraphs 26-30).

11. A system according to claim 10 wherein said database further includes data of qualified vendors (figure 1 and associated text).

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12. The system of claim 1 wherein said safe payment further comprising a keypad and indicator lights for indicating unit mode (figure 5 and associated text).

13. A system according to claim 12 wherein said safe payment unit further comprises a display (figure 6 and associated text).

14. A system according to claim 12 wherein said safe payment unit further comprises a printer or means to connect to an external printer (figure 3 and associated text).

15. A system according to claim 12 wherein said safe payment device further comprising encrypting means for encrypting the information transmitted to said online computerized system of trusted agent (figures 4 and 7 and associated text).

Claims 17-30 are directed to a method of the above claimed system and are therefore rejected as being further disclosed by Schwartz as above.

*Examiner has pointed out particular references contained in the prior arts of record in the body of this action for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested from the applicant, in preparing the response, to consider fully the entire references as*

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*potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior arts or disclosed by the examiner.*

**Conclusion**

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure:

- Patent No. 5,790,677 to Fox et al.
- Patent No. 5,870,473 to Boesch et al.
- Patent No. 6,185,307 B1 to Johnson, Jr.

**THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

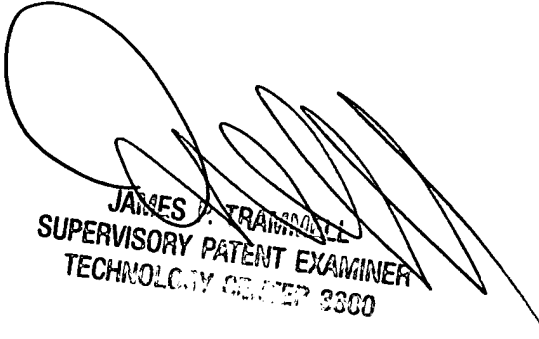
Any inquiry concerning this communication or earlier communications from the examiner should be directed to Bradley Bayat whose telephone number is 703-305-8548. The examiner can normally be reached on Tuesday-Friday during normal business hours.

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If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell can be reached on 703-305-9768. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

bbb



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